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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/724,123	12/01/2003	John S. Hendricks	007412.00794	9915
71867 7590 11/06/2009 BANNER & WITCOFF, LTD ATTORNEYS FOR CLIENT NUMBER 007412 1100 13th STREET, N.W. SUITE 1200 WASHINGTON, DC 20005-4051				
			EXAMINER SALTARELLI, DOMINIC D	
			ART UNIT 2421	PAPER NUMBER
			MAIL DATE 11/06/2009	DELIVERY MODE PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

### Office Action Summary

**Application No.**

10/724,123

**Applicant(s)**

HENDRICKS ET AL.

**Examiner**

DOMINIC D. SALTARELLI

**Art Unit**

2421

**Period for Reply** -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 25 June 2009.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-10 and 17-35 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☒ Claim(s) 30-35 is/are allowed.
- 6) ☒ Claim(s) 1-10 and 17-29 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 01 December 2003 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SB08)
- Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)
- Paper No(s)/Mail Date \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_

**DETAILED ACTION**

***Claim Rejections - 35 USC § 101***

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claim 1 is rejected under 35 U.S.C. 101 as not falling within one of the four statutory categories of invention. While the claim recites a series of steps or acts to be performed, a statutory "process" under 35 U.S.C. 101 must (1) be tied to particular machine, or (2) transform underlying subject matter (such as an article or material) to a different state or thing. See page 10 of In Re Bilski 88 USPQ2d 1385. The instant claims are neither positively tied to a particular machine that accomplishes the claimed method steps nor transform underlying subject matter, and therefore do not qualify as a statutory process.

***Priority***

2. Applicant's claim for the benefit of a prior-filed application under 35 U.S.C. 119(e) or under 35 U.S.C. 120, 121, or 365(c) is acknowledged. Applicant has not complied with one or more conditions for receiving the benefit of an earlier filing date under 35 U.S.C. 120 as follows:

The later-filed application must be an application for a patent for an invention which is also disclosed in the prior application (the parent or original nonprovisional application or provisional application). The disclosure of the invention in the parent application and in the later-filed application must be sufficient to comply with the

requirements of the first paragraph of 35 U.S.C. 112. See *Transco Products, Inc. v. Performance Contracting, Inc.*, 38 F.3d 551, 32 USPQ2d 1077 (Fed. Cir. 1994).

The disclosure of the prior-filed application, Application No. 07/991,074 fail to provide adequate support or enablement in the manner provided by the first paragraph of 35 U.S.C. 112 for one or more claims of this application.

Claim limitations referring to 'simulated demographic data' are not supported by the 07/991,074 application, and have a priority date of December 2, 1993, the filing date of application number 08/160,280.

Claim limitations referring to the gathering of information or analysis of 'currently watched television programs' are not supported by the 07/991,074 application, and have a priority date of December 2, 1993, the filing date of application number 08/160,280.

### ***Claim Rejections - 35 USC § 102***

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

4. Claims 1, 3, and 6 are rejected under 35 U.S.C. 102(e) as being anticipated by Wachob (5,155,591).

Regarding claims 1 and 3, Wachob discloses a method for targeting advertisements to a plurality of set top terminals during a program break, comprising:

assigning at least one primary advertisement to a first channel, the first channel carrying a program (col. 7, lines 1-12);

assigning at least one alternate advertisement to one or more alternate channels (col. 4, lines 36-55); and

switching selected ones of the plurality of set top terminals from the first channel to one of the one or more alternate channels based on information related to users of the set top terminals and displaying an advertisement (col. 6, lines 47-68).

Regarding claim 6, Wachob discloses the method of claim 1, wherein channels are switched transparently (col. 6, lines 47-68).

### ***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 2, 4, 5, 9, 10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wachob in view of Banker et al. (5,477,262) and Yourick (4,755,935).

Regarding claims 2, 4, 5, and 9, Wachob discloses the method of claim 1, further disclosing the information related to the users of the set top terminals includes demographic data (col. 6, lines 11-26), but fails to disclose said information includes simulated demographic data, the simulated demographic data being generated by comparing programs watched data of the users to a sample user profile, the sample user profile based on demographic data from a statistically significant sample of users; and creating a set top terminal group information indicating a group assignment for each of the plurality of set top terminals; transmitting the group information to the set top terminals; storing the group information in the set top terminal; and comparing a program being watched to the group information to determine whether to switch to one of the one or more alternate channels during the program break.

In an analogous art, Banker discloses it was known in the art at the time to create set top terminal group information indicating a group assignment for each of a plurality of set top terminals; transmitting the group information to the set top terminals; and storing the group information in the set top terminal (col. 14, lines 42-50).

It would have been obvious at the time to a person of ordinary skill in the art to modify the method of Wachob to include creating a set top terminal group information indicating a group assignment for each of the plurality of set top terminals; transmitting the group information to the set top terminals; and storing the group information in the set top terminal, as taught by Banker. This is a

known means of implementing the method of identifying viewer demographic types alluded to by Wachob (such as identifying demographics according to a known location, which is downloaded from the headend, col. 6, lines 11-26).

Wachob and Banker fail to disclose said information includes simulated demographic data, the simulated demographic data being generated by comparing programs watched data of the users to a sample user profile, the sample user profile based on demographic data from a statistically significant sample, and comparing a program being watched to the group information to determine whether to switch to one of the one or more alternate channels during the program break.

In an analogous art, Yourick discloses a content selection algorithm that simulates demographic data by observing content selected by users and comparing said selections to a sample user profile based on demographic data from a statistically significant sample, and using said observed behavior to select content that is likely to be of interest to the user (col. 4, lines 28-62 and col. 9, lines 35-44). This approach allows a system to adaptively learn which contents would be best to display to the most current user rather than exclusively relying upon a pre-stored profile (col. 1, lines 50-53).

It would have been obvious at the time to a person of ordinary skill in the art to modify the method of Wachob and Banker to include a content selection algorithm that simulates demographic data by observing content selected by users and comparing said selections to a sample user profile based on

demographic data from a statistically significant sample, and using said observed behavior to select content that is likely to be of interest to the user, as taught by Yourick, for the benefit of adaptively learning which contents would be best to display to the most current user rather than exclusively relying upon a pre-stored profile.

Specifically regarding claim 9, the set top devices are the controllers located at remote locations.

Regarding claim 10, Wachob, Banker, and Yourick disclose the method of claim 9, wherein at least one of the primary advertisement and at least one of the alternate advertisements are displayed (Wachob, col. 3, lines 52-60).

7. Claims 7 and 8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wachob.

Regarding claim 7, Wachob discloses the method of claim 1, but fails to disclose a full screen mask is used during a period when the channel switching occurs.

Examiner takes official notice that the use of full screen masks to hide channel transitions are notoriously well known in the art, said masks providing a more aesthetically pleasing alternative to the abrupt flicker that occurs otherwise when a television receiver is reorienting to a new channel.



It would have been obvious at the time to a person of ordinary skill in the art to modify the method of Wachob to include a full screen mask is used during a period when the channel switching occurs.

Regarding claim 8, Wachob discloses the method of claim 8, but fails to disclose each set top terminal has a first tuner and a second tuner, wherein the set top terminal switch to an alternate channel using the second tuner.

Examiner takes official notice that set top device utilizing two tuners are notoriously well known in the art, as during a channel change process, having a second tuner which has switched to the second channel results in a faster and smoother transition, as there is no need to reorient a the first tuner to a new frequency and begin processing the second signal such that a noticeable delay is experienced by the viewer.

It would have been obvious at the time to a person of ordinary skill in the art to modify the method of Wachob to include in each set top terminal a first tuner and a second tuner, wherein the set top terminal switch to an alternate channel using the second tuner.

8. Claims 17-22, 25, and 26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wachob in view of Banker.

Regarding claims 17, 20, 21, and 26, Wachob discloses a method for targeting advertisements to a plurality of set top terminals comprising:

transmitting demographic information to the respective set top terminals  
(col. 6, lines 11-26);

storing the demographic information in the respective set top terminals  
(col. 6, lines 11-26);

informing the set top terminal which of a plurality of advertisement  
channels is assigned to a television program category, the channel  
corresponding to the respective set top terminal's demographic information (col.  
6, lines 27-36);

receiving, by each set top terminal, data related to the respective set top  
terminal's demographic (col. 6, lines 11-26);

determine the television programming category based on a currently  
watched program (the tag information used for determining the proper  
demographic group is associated with the program itself, col. 7, lines 13-28, and  
the tag delineates which set of commercials are to be associated with the type  
of program being watched);

correlating the television program category with the set top's demographic  
information to determine an advertisement channel for viewing (col. 7, lines 29-  
46); and

switching the respective set top terminals to the channel determined for  
viewing and displaying respective selected advertisements on the respective set  
top terminals (col. 7, lines 29-46).

Wachob fails to disclose the demographic information transmitted to the set top devices and stored therein is group assignment information.

In an analogous art, Banker discloses it was known in the art at the time to create set top terminal group information indicating a group assignment for each of a plurality of set top terminals; transmitting the group information to the set top terminals; and storing the group information in the set top terminal (col. 14, lines 42-50).

It would have been obvious at the time to a person of ordinary skill in the art to modify the method of Wachob to include creating a set top terminal group information indicating a group assignment for each of the plurality of set top terminals; transmitting the group information to the set top terminals; and storing the group information in the set top terminal, as taught by Banker. This is a known means of implementing the method of identifying viewer demographic types alluded to by Wachob (such as identifying demographics according to a known location, which is downloaded from the headend, Wachob, col. 6, lines 11-26).

Specifically regarding claim 26, the set top devices are the controllers located at remote locations.

Regarding claim 18, Wachob and Banker disclose the method of claim 17, but fail to disclose one advertisement channel is assigned for each of eight television program categories.

Wachob and Banker are not specific regarding exactly how many advertisement channels are available, leaving said number arbitrary and up to the designer (Wachob, col. 3, lines 60-65), thus it would be obvious to utilize eight channels for as many types of said program categories, insofar as it would be obvious to use any finite number of specialized advertisement channels.

Regarding claim 19, Wachob and Banker disclose the method of claim 17, wherein channels are switched transparently (Wachob, col. 6, lines 47-68).

Regarding claim 22, Wachob and Banker disclose the method of claim 21, wherein the information related to the users of the set top terminals includes demographic data (col. 5 line 61 - col. 6 line 10) but fails to disclose the information includes programs watched data.

Examiner takes official notice that selecting targeted advertisements using programs watched data (often referred to as "viewership" or "viewing history" data) is notoriously well known in the art, as using said information is a strong indicator regarding what types of content interest viewers.

It would have been obvious at the time to a person of ordinary skill in the art to modify the method of Wachob and Banker to include information includes programs watched data, as using said information is a strong indicator regarding what types of content interest viewers.

Regarding claim 25, Wachob and Banker disclose the method of claim 17, but fail to disclose each set top terminal has a first tuner and a second tuner, wherein the set top terminal switch to an alternate channel using the second tuner.

Examiner takes official notice that set top device utilizing two tuners are notoriously well known in the art, as during a channel change process, having a second tuner which has switched to the second channel results in a faster and smoother transition, as there is no need to reorient a the first tuner to a new frequency and begin processing the second signal such that a noticeable delay is experienced by the viewer.

It would have been obvious at the time to a person of ordinary skill in the art to modify the method of Wachob and Banker to include in each set top terminal a first tuner and a second tuner, wherein the set top terminal switch to an alternate channel using the second tuner.

9. Claims 23 and 24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wachob and Banker as applied to claim 21 above, and further in view of Yourick.

Regarding claim 23 Wachob and Banker disclose the method of claim 21, but fail to disclose said information includes simulated demographic data, the simulated demographic data being generated by comparing programs watched data of the users to a sample user profile, the sample user profile based on demographic data from a statistically significant sample, and comparing a

program being watched to the group information to determine whether to switch to one of the one or more alternate channels during the program break.

In an analogous art, Yourick discloses a content selection algorithm that simulates demographic data by observing content selected by users and comparing said selections to a sample user profile based on demographic data from a statistically significant sample, and using said observed behavior to select content that is likely to be of interest to the user (col. 4, lines 28-62 and col. 9, lines 35-44). This approach allows a system to adaptively learn which contents would be best to display to the most current user rather than exclusively relying upon a pre-stored profile (col. 1, lines 50-53).

It would have been obvious at the time to a person of ordinary skill in the art to modify the method of Wachob and Banker to include a content selection algorithm that simulates demographic data by observing content selected by users and comparing said selections to a sample user profile based on demographic data from a statistically significant sample, and using said observed behavior to select content that is likely to be of interest to the user, as taught by Yourick, for the benefit of adaptively learning which contents would be best to display to the most current user rather than exclusively relying upon a pre-stored profile.

Regarding claim 24, Wachob, Banker, and Yourick discloses the method of claim 23, but fail to disclose a full screen mask is used during a period when the channel switching occurs.

Examiner takes official notice that the use of full screen masks to hide channel transitions are notoriously well known in the art, said masks providing a more aesthetically pleasing alternative to the abrupt flicker that occurs otherwise when a television receiver is reorienting to a new channel.

It would have been obvious at the time to a person of ordinary skill in the art to modify the method of Wachob, Banker, and Yourick to include a full screen mask is used during a period when the channel switching occurs.

10. Claims 27 and 29 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wachob and Banker as applied to claim 17 above, and further in view of Maietta et al. (5,229,852) [Maietta] and Ritchey (5,130,794).

Regarding claims 27 and 29, Wachob and Banker disclose the method of claim 17, wherein advertisements are pre-recorded prior to transmitting to respective set top terminals (at the headend, Wachob col. 3, lines 28-41), but fail to disclose masking video, and scaling and repositioning the advertisements selected for viewing on respective displays.

In an analogous art, Maietta discloses a masking method for a live video window such that only a selected portion of the live video window is displayed (col. 10 line 36 - col. 11 line 16), providing the benefit of allowing additional

processing of a video signal, such as allowing the addition of graphics or text to enhance the image if desired (col. 11 lines 7-16).

It would have been obvious at the time to a person of ordinary skill in the art to modify the method of Wachob and Banker to include masking video, as taught by Maietta, for the benefit of allowing additional special processing of a video signal to take place, such as allowing the addition of graphics or text to enhance the image if desired.

Wachob, Banker, and Maietta fail to disclose scaling and repositioning the advertisements selected for viewing.

In an analogous art Ritchey disclose scaling and repositioning a selected portion of video frames (in the HMD assembly where only a portion of a much larger image can be shown at once, the image portion is selected from the frame and reconstructed for display, col. 18, lines 1-15, where said reconstruction involves using the 'zoom' feature of the effects unit described in US Patent No. 4,334,245 [see Abstract] incorporated by reference, such that the selected image portion is expanded to occupy the full available display space).

It would have been obvious at the time to a person of ordinary skill in the art to modify the method of Wachob, Banker, and Maietta to include scaling and repositioning a selected portion of video frames, as taught by Ritchey. Part of this scaling and repositioning includes special effects such as warping the image to special shape, such as a sphere or cube region creating a more visually engaging scene (Ritchey, col. 18, lines 16-36).



11. Claim 28 is rejected under 35 U.S.C. 103(a) as being unpatentable over Wachob, Banker, Maietta, and Ritchey, as applied to claim 27 above, and further in view of Blahut et al. (5,446,490) [Blahut].

Regarding claim 28, Wachob, Banker, Maietta, and Ritchey disclose the method of claim 27, but fail to disclose performing, by the set top terminal audio switching to amplify audio corresponding to a correct video portion of the display.

In an analogous art, Blahut teaches providing different audio portions corresponding to selected video portions, switching to and amplifying the correct one, one possible benefit of this being providing different languages for displayed video (col. 5 line 67 - col. 6 line 18).

It would have been obvious at the time to a person of ordinary skill in the art to modify the method of Wachob, Banker, Maietta, and Ritchey to include performing, by the set top terminal audio switching to amplify audio corresponding to a correct video portion of the display.

***Allowable Subject Matter***

12. Claims 30-35 are allowed.

13. The following is a statement of reasons for the indication of allowable subject matter: The examiner found no instances in the prior art where the targeting of advertisements took place by analyzing currently watched programming prior to applicant's priority date of December 2, 1993.

***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to DOMINIC D. SALTARELLI whose telephone number is (571)272-7302. The examiner can normally be reached on Monday - Friday 9:00am - 6:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Miller can be reached on (571) 272-7353. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Dominic D Saltarelli/  
Primary Examiner, Art Unit 2421